
Minutes

Board of Natural Resources

June 1, 2004
Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Gary Locke

Terry Bergeson, Superintendent of Public Instruction

Glen Huntingford, Commissioner, Jefferson County

Bruce Bare, Dean, University of Washington, College of Forest Resources

R. James Cook, Interim Dean, Washington State University, College of Agricultural, Human, and Natural Resource Sciences

BOARD MEMBERS ABSENT

CALL TO ORDER

Chair Sutherland called the meeting to order at 9:05 a.m. on , June 1, 2004, in Room 172 of the Natural Resources Building.

APPROVAL OF MINUTES

MOTION: Bruce Bare moved to approve the May 4, 2004, Board of Natural Resources Minutes.

SECOND: Who seconded.

ACTION: Motion passed unanimously.

LAND TRANSACTIONS

Kit Metlen - Asset Allocation Strategy (Handout 1)

Kit Metlen, Asset Management & Protection Division Manager, presented. He began by giving a brief introduction to the Asset Allocation Strategy for Washington's Upland Trust Lands. He explained that the document is a compendium of strategies derived from policy plans adopted by the Board. He stated that today he would focus specifically on reallocation of assets and how the Department is engaging in interactions with external public and private parties. He stated that the Department would continue to hold real property assets with both high revenue and high value, to pursue opportunities to develop consolidated blocks of land for forestry, and acquire new trust assets to improve returns and diversify assets. He stated that the Asset Management Council has given the direction to invest 2/3 of available funds on agricultural and commercial properties toward diversification and invest the other third toward improvement or enhancement of existing assets. He referred to a assets reallocation report that was presented to the Board earlier in the year and how it showed under performing assets. He described how the Department is batching cruises, appraisals, public meetings, and hearings in order to be more efficient. Batching raises the ratio of success as multiple properties are moved; it reduces fixed costs and

spreads them across more properties. He pointed out that the Department is working on partnerships with external publics to share costs and project management. He stated that these partnerships have allowed the Department to reposition assets quicker and at less cost for the Department.

Ms. Bergeson asked how the Nature Conservancy helps the Department regarding the Trust Land Transfer program?

Mr. Metlen responded that the Nature Conservancy has contacts with various groups and those contacts enable the Department to find out who would be the best potential owner of certain properties and who could bring money forward in disposal of the properties. They also assist in legislative issues and the Trust Land Transfer program.

Mr. Metlen said these partnerships assist the Department in having connections all across the state.

Chair Sutherland asked how many active transactions are currently being worked on?

Mr. Metlen said around 100 at any given time.

Chair Sutherland asked if they prioritize which ones go first and wondered if the major funding issue was in regards to appraisals.

Mr. Metlen said yes the appraisals are the primary shortage of funding, he added that a few extra staff could dramatically improve the ability of the team to produce.

Chair Sutherland asked where the funding comes from?

Mr. Metlen said the funding comes from RMCA and FDA accounts.

Mr. Metlen explained that not all transactions entered into are consummated which is why they have moved toward batching to spread the cost of doing business.

Ms. Bergeson asked what the track record is for successful versus unsuccessful transactions.

Mr. Metlen said that the Regions winnow 50-80% out, as they come forward to the Division there is about a 50% rate of accomplishing those transactions.

Badger Mountain Transfer # 02-074723 (Handout 2)

Debi VanBuren gave a brief description of the property. Location: Douglas County; 5 miles Northeast of East Wenatchee; Road Straightening - Badger Mountain Road; footprint of road construction; 9.73 acres. Characteristics: Zoned: Dryland Agriculture; Appraised: \$900 per acre; total value: \$8,730.

Mr. Cook asked about the construction in the photos.

Ms. VanBuren explained that the road straightening had already begun.

Ms. Bergeson asked if there was Common School Trust on the edge of the property?

Ms. VanBuren explained that anything North would remain Common School Trust.

Chair Sutherland asked if the parcel to the NW could be put up for auction?

Ms. VanBuren responded that it could now be conveyed separately. She explained that there are mineral resources on the NW parcel and it could be put up for auction as a residential view property.

MOTION: Terry Bergeson moved to approve Resolution #1121.

SECOND: Bruce Bare seconded.

ACTION: Motion passed unanimously.

Iron Horse - Cedar Butte Trust Land Transfer #02-075776 (Handout 3)

Evert Challstedt began by giving a brief description of the location: King County; 4 miles southeast of North Bend; Adjacent to Seattle Watershed. Characteristics: 441 acres Common School Trust; 208 acres 60-70 year conifer; Property divided by John Wayne Trail; Appraised highest and best use: recreation & rural residential development. Values: timber 3,891 mbf \$1,029,000; \$264/mbf. Land 441 acres: \$971,000; \$2,202/acre. Total Value: \$2,000,000; \$4,535 /acre. Benefits: Trust divests of isolated property; Timber value benefits school construction; land value reinvested in productive land; property is dedicated for open space or recreation.

Mr. Huntingford asked if there was an access issue on this property?

Mr. Challstedt responded that this land was acquired by an exchange with Champion in the 90's. There is not ready access across the trail near the timber area.

Mr. Huntingford asked if the City of Seattle was concerned about water issues on the parcel?

Mr. Challstedt responded that the City was mainly concerned with the property in the southwest corner of the section that is not included in this transfer. By agreement of the parties, the property is being held for future transfer to the City of Seattle.

Mr. Huntingford asked why this parcel was exchanged with Champion?

Mr. Challstedt responded that it was one parcel of a larger exchange.

Mr. Metlen responded that it was part of the I-90 Greenway block.

MOTION: Terry Bergeson moved to approve Resolution #1122.

SECOND: Bruce Bare seconded.

DISCUSSION: Mr. Huntingford wondered how this parcel was beneficial to the trusts.

Mr. Challstedt explained that it could be managed for timber revenue.

ACTION: Motion passed unanimously.

Cashmere/Arlington Exchange #86-075459 (Handout4)

Julie Armbruster began with a brief description of the exchange and purchase.

- ❖ State proposes to trade 640 acres of Common School Trust property in Chelan County to Hay Canyon Ranch LLC through the The Trust for Public Land. ("Cashmere parcel")
- ❖ State proposes to acquire 363 acres of private property in Snohomish County from The Trust for Public Land (TPL). ("Arlington parcel")

Characteristics for Cashmere parcel: Zoned for agriculture, classified as range land; isolated parcel; lack of water limits development potential; currently leased for grazing and also for a private paragliding

school. Characteristics of Arlington parcel: Zoned for forestry; soils are site 3; stands are mixed Douglas Fir and Red Alder; 219 acres < 9 year reproduction; 19 acres < 16 year reproduction; 98 acres < 19 year reproduction; 27 acres < non-forest land; Red Alder is good quality and will be ready for harvest within 20 years; potential for commercial thinning sales in ten years; one type 4 stream is present; Trust for Public Lands has paid to remove debris and is working with DNR to install a gate.

Public Hearing Summary:

A hearing was held in Cashmere on April 7, 2004. Fourteen people attended, seven gave testimony

-three testified in favor

-two testified against

-two were not against the exchange but requested that conditions be put on the transaction to address their concerns.

Key Concerns:

Potential development of Cashmere property and how that would impact the neighborhood (traffic, water supply)

Loss of land for recreation and hunting

Key support:

Puts public land into private ownership, adds to tax base, potentially makes land available for the local land trust.

Valuation: Arlington, \$600,000; rate of return, 4.7%.

Cashmere, \$385,000; rate of return 2%.

Cash to balance: \$215,000; from RPRA \$600,000.

Benefits to the exchange and purchase: The common school trust trades out of an isolated parcel that is difficult to manage; the common school trust acquires property within an existing forest block; potential for incompatible uses within the Snohomish forest block is reduced; the common school trust acquires property with potential for greater long term returns.

Mr. Huntingford asked if there were any restrictions on the property?

Ms. Armbruster said they had been mitigated.

MOTION: Glen Huntingford to approve Resolution #1123.

SECOND: Jim Cook seconded.

ACTION: Motion passed unanimously.

Basin City Purchase #08-076145 (Handout5)

Julie Armbruster began with a brief description of the location: 623.5 acres in eight farm units; 601.1 irrigable spaces; 545.6 acres actually in production; irrigation system is newer, good quality; level ground at higher elevation than surrounding properties creates superior growing conditions; soils are deep and well drained; seller will reserve mineral rights; two home sites have been removed from the sale; property is bounded on 3 sides by county roads; water furnished by South Columbia Basin Irrigation District; Annual water assessment will be paid by the lessee; under lease for alfalfa, grain, vegetable production through December 31, 2008; Annual income is \$146,000; 7.1% return; potential for conversion to vineyard; price is \$2,050,000. Benefits: Adds productive agricultural property to Common School Trust portfolio; property will provide immediate lease income.

Chair Sutherland asked if the current operators would be the lessees?

Ms. Armbruster said no the sellers have a lease in place with a separate party and will be assigning that lease to DNR.

MOTION: Bob Nichols moved to approve Resolution #1124.
SECOND: Terry Bergeson seconded.
ACTION: Motion passed unanimously.

TIMBER SALES

Proposed Timber Sales for July 2004 (Handout6)

Jon Tweedale - Product Sales Manager. Mr. Tweedale gave an overview of the May 2004 results: 15 sales offered & 15 sold; 51.7 mmbf offered & 51.7 mmbf sold; \$14.8 million minimum bid & \$18.3 million sold; \$287/mbf & \$353/mbf sold; average number of bidders 4; 23% above minimum bid. April 2004 Results Delivered Log Sales (Cougar Mountain Sale, NE): 8 sorts offered & 6 sorts sold; 4.6 mmbf offered & 3.4 mmbf sold; \$1.6 million offered for delivery & \$1.3 million sold; \$350/mbf offered & \$381/mbf delivered; average number of bidders 2.

Timber Sales News slide 7: Timber sales removals up \$26 million in FY04 from FY03; Average \$/mbf Board sales sold YTD \$304; May Board sales average \$/mbf \$353.

Proposed July 2004 Board Sales: 7 sales at 39.6; \$10.7 million minimum bid; average \$271/mbf minimum bid.

Chair Sutherland asked if the 2004 numbers were presented to the Board in 2001 or 2002.

Mr. Tweedale responded that it was 2002 and 2003.

Mr. Huntingford asked if this trend was increased by higher stumpage prices, and would it provide more revenue for the FDA account?

Mr. Tweedale said these volumes would increase the revenue in both the RMCA and the FDA accounts.

Chair Sutherland asked Mr. Tweedale to give a brief summary of the SEPA comments received regarding the huckleberry sale.

Mr. Tweedale explained that this sale is located in the Loomis (Northeast Region) and that there were several SEPA comment letters regarding the wild boundaries. Forest Practices made changes in the boundaries based on new information, the parties that commented wanted to make sure that the hydrologic maturity calculations were consistent with the old and new boundaries. The Department calculated the hydrologic maturity using both boundaries and both were below the threshold.

MOTION: Terry Bergeson moved to approve July 2004 Timber Sales.
SECOND: Glen Huntingford seconded.
ACTION: Motion passed unanimously.

CHAIR REPORTS

Harbor Line Review (Handout7)

Fran McNair, Aquatic Land Steward, began by showing the current harbor line. She explained to the Board that the Harbor Line Commission originally established harbor lines in front of the City of Bremerton in 1911, and it was last evaluated in 1988. At that time the Commission relocated the outer Harbor Line waterward along the central waterfront to provide additional space for marina moorage. Ms. McNair stated that DNR will be proposing a relocation of up to 1,800 linear feet of outer harbor line up to 400 feet waterward along Sinclair Inlet waterfront. She explained that the City of Bremerton needs this

for the expansion of their marina. She stated that there was a public hearing held on May 13, 2004 and only one person attended and the individual chose not to testify on the proposed changes. The Suquamish Tribe is comfortable with the changes as well as the local community.

Chair Sutherland asked if the breakwater would be moved out as well?

Lisa Randlette explained that the intention of the conceptual design is to establish a breakwater. The reason they are recommending the outer harbor line be moved out further is for adequate area for the anchoring system. The old breakwater would be removed.

Mr. Nichols asked if there was an existing breakwater on the map.

Ms. Randlette responded that there is a dotted line showing the breakwater but it will be removed.

Mr. Huntingford asked if there would be an encroachment on the channel.

Ms. McNair said this would not impede navigation.

Ms. Bergeson asked if the Department would benefit from the moorage?

Ms. McNair said DNR would not benefit financially but the community would.

Mr. Bare asked what the proposed control line meant?

Ms. Randlette responded that it's an area where the Port is considering adjusting their Port Management area of responsibility and a possible long-term realignment of the Turner Joy Vessel.

Ms. Bergeson asked when this would begin?

Ms. McNair responded that the Port is hoping to have the permits by fall 2004.

Chair Sutherland commented that Kitsap Transit and Washington State Ferries System were both supportive of the proposed harbor line change.

Ms. McNair responded that Ms. Randlette did a comprehensive job of making sure that all involved parties were on board early on in the process.

Sustainable Forest Management Update (Handout8)

Gretchen Nicholas, Division Manager, Land Management Division. Ms. Nicholas began by discussing the comments received and she explained that the preferred alternative is responsive to those comments. She stated that her staff spent a considerable amount of time on the 50/25 rule, spotted owls, and roads; that would be the focus of today's presentation. Jim Hurst, Engineering Division Manager, and Tami Riepe, HCP Implementation Manager would also be presenting their respective areas.

She then referenced slides 4-11 (handout 8): Board Review of FEIS

- Review response to comments
- Review elements of the analysis that we have changed as a result of comments
- Review the preferred alternative
 - Assure it meets the Board's goals
 - Assure the environmental impacts are understood and within the range of the DEIS

Public Comments:

Not a comprehensive summary of all comments. Full summary will be in the FEIS.

Forest Health

- Comments expressed need for healthy forests to prevent disease and fires, and for diverse habitat for wildlife.
- The preferred alternative substantially moves the DNR towards ecologically sustainable management, mainly by using a biodiversity pathways approach.
- Variable Density thinning is one of the primary components of biodiversity pathways.

Older Forests

- Save existing old forests
- Others advocated cutting it

Preferred Alternative

- Prioritize existing older structure forests for inclusion in 10% to 15% target by planning unit
- Use Trust Land Transfer to preserve old growth forests and reimburse trust beneficiaries

Riparian areas

- Riparian plan should not have impacts on water quality or fish.

Preferred alternative

- Less than 1% of the riparian areas are projected to be thinned in any year over the life of the HCP.
- Variable Density Thinning or traditional Thinning will be done only to improve habitat
- Area around stream protected with 50 foot no touch buffer.

Wildlife

- Status of older-forest dependant species
- New owl research
- Big game dependant on forest openings

Preferred Alternative

- 25-30% of management will be variable density thinning .
- Current owl protections will remain until later dates, with time to adapt to new information

Revenue

- Intergenerational equity
- Fiduciary responsibility to the trusts
- Recognition of values not currently priced by market

Preferred Alternative

- Board considered net and gross revenue, NPV, and income variability.
- Alternative has high net revenue,
- Emphasized conservation values in choice of preferred alternative.

Community impacts

- A value-based calculation was supported by the timber counties. There was concern from some counties regarding stability and level of income
- The Board chose to maintain the counties as separate entities in preferred alternative, thus assuring stable revenue flow. The Board alternative increases net revenue to trusts substantially.

Tami Riepe introduced herself as the HCP Implementation Manager and gave a brief history of her background with the Department. She stated that she has been with the Department for 12 years, 11 of those years as a region biologist. She has been in her current position as HCP Implementation Manger for one and a half years. Ms. Riepe referred to a status review on the spotted owl population that has recently been released by the Federal Services. She introduced Teodora Minkova and stated that she is a spotted owl scientist who is working with Ms. Riepe on the spotted owl population report. The status review was conducted to determine if the threatened listing was appropriate. The results of the

demography workshop showed that the owl population is declining by 4.1% per year, which is quite a bit more than was identified in the DEIS for the HCP. Washington State had a 7.5% decline for the period from 1987-2003. It has been speculated that the high density of Barred Owls in Washington State has caused the sharp decline in numbers of Northern Spotted Owls; there are more in Washington than in Oregon and California. Wildfires that occurred on the Eastside and insect infested forests have also contributed to the decline in numbers. She mentioned that more information would be forthcoming when the Federal Services publishes their report in fall 2004.

Chair Sutherland asked Ms. Riepe to discuss in more detail the migration of the Barred Owl to Washington and why it has a negative impact on the Northern Spotted Owl.

Ms. Riepe responded that the Barred owl is more opportunistic and is able to use a wider range of prey for their food and land for habitat. The Barred Owl migrated from the Eastern United States into Canada and is now moving down into Washington and continuing south. Barred Owls are more aggressive which has resulted in Spotted Owls being displaced because they are too timid to fight for the habitat.

Mr. Nichols asked if there was competition for prey between the two species?

Ms. Riepe responded that they do compete for prey but that the Barred Owl has a wider prey range.

Mr. Cook asked why it took so long for the Barred owl to migrate to the West Coast?

Ms. Riepe stated that there is speculation that over time there has been more habitat provided through forest management regimes, giving the Barred Owl the ability to more easily move from one region to another.

Mr. Bare asked about the 7.5% decline in Washington and wondered if that came out of the demography workshop?

Ms. Riepe said it did.

Ms. Minkova came forward to explain the point estimates of the population rate of change. She stated that the point estimates (λ) indicated between 6 and 7% annual rate of decline for the Westside when the analysis was done in 1996. The upper limit of the 95% confidence interval was close to 1, which was close to stable population, and the lower limit was around 0.8. At that time DNR chose to accept the upper limit of the confidence interval for their analysis, which was 0.8% rate of population decline (for the Westside). There had been disagreement about how the point estimates were calculated; there was a concern that the point estimates showing 6-7% decline were too high. Currently the way population demography statistics are calculated is different than in 1996, there has been scientific recognition that the current way to calculate is more accurate.

Mr. Bare responded that even though the methodology has changed the use of the statistics is the same.

Ms. Minkova said that in 1996 the analysis was not precise because of the smaller sample and the current understanding is that the methodology used at that time resulted in a biased low point estimates, meaning the projection for population rate of decline was higher.

Mr. Cook pointed out that the methodology has changed but the data may not show any difference.

Ms. Riepe responded that when the HCP was written there was not as accurate information available.

Ms. Bergeson clarified that although the mathematical calculations have changed there is still a larger decline than what was projected.

Ms. Riepe referenced slide 16 (Handout 8):

Northern Spotted Owl Recovery

The Final Draft Recovery Plan for the Northern Spotted Owl (USDI, 1992) recommended the establishment of conservation areas on federal lands as primary means for achieving recovery of the northern spotted owl.

Potential Suitable Spotted Owl Habitat by Ownership in Washington

Federal Lands = 2.7 million acres (65.7%)

Other Lands = 944,000 acres (22.7%)

DNR Lands = 485,000 acres (11.6%)

Total = 4.2 million acres

The Role of DNR's

HCP Northern Spotted Owl Conservation Strategy

The HCP DEIS (DNR, 1996) identified specific lands located adjacent to federal lands to provide support for spotted owl populations. These areas are identified as Nesting, Roosting, and Foraging (NRF) and Dispersal Management Areas.

Rationale for the HCP Spotted Owl Conservation Strategy

-A number of empirical studies have shown that larger clusters of breeding spotted owls – 15 to 25 pairs – have a higher likelihood of persisting in the face of random demographic, environmental, and genetic events than do smaller cluster or single pairs.

Ms. Riepe added that DNR is providing a landscape-based approach to management of Spotted Owls. There are environmental factors that are out DNR's control.

Mr. Nichols asked if there was a provision in the HCP that would increase the amount of protection for Spotted Owls if the numbers were to decline below the projected number?

Ms. Riepe responded that there is a no surprises clause and DNR has been working closely with the Federal Services on this information. The Federal Services feel that the provision for the NRF and Dispersal Management Areas as designated in the HCP provide adequate protection for Spotted Owl Recovery on DNR managed land.

Northern Spotted Owl Management under the Preferred Alternative

Owl Circle Management under the Sustainable Harvest Calculation's Preferred Alternative

Northern spotted owl circle protection strategies encompass approximately 296,200 acres of DNR-managed lands in the West-side Planning Units.

Owl Circle Management under the Sustainable Harvest Calculation's Preferred Alternative

-DNR will protect habitat inside 56 northern spotted owl circles identified in the DNR HCP Owl Site Prioritization Schedule (critical owl circle list) until 2007.

-These protected owl circles are located both inside and outside of NRF and Dispersal Management Areas.

Ms. Bergeson asked about conservation of the Spotted Owl and asked for clarification on the two species interaction and what impact that would have on the preferred alternative?

Ms. Riepe responded that DNR is protecting the Spotted Owl species and that this information needs to be communicated to the public so that it's understood that there are external factors that DNR has no control over.

Mr. Cook pointed out that in evolutionary time species can specialize themselves out of existence and used the Panda as an example of human intervention to save a species.

Mr. Nichols asked about hybridization between the Barred Owl and Spotted Owl?

Ms. Riepe explained that it has been found that hybridization between these two species has occurred, however it is uncertain as to whether the offspring of the hybridization of the two species are able to reproduce.

Jim Hurst came forward to discuss roads he refereed to slide 29 (Handout 8) which detailed comments from the DEIS.

Comments from DEIS

- The general comments primarily addressed concerns about road management strategies, and how they differ between the alternatives.
- Road densities.
- General impacts of roads to the environment.

Roads – Three Areas addressed in FEIS

- Environmental considerations for road location are the same regardless of alternative
- 70% of road network is already in place
- Road Maintenance strategies will remain the same regardless of option chosen

Road Network Mostly in Place

- While the alternatives consider different activity timings and locations, the basic road network will evolve to the same end condition over time, virtually independent of which alternative is chosen.
- The proposed alternative has harvest levels well within the range of activity anticipated by the HCP.

The existing road network already accesses over 70% of DNR’s “on-base” landscape

Road Density

Density: #Road

	<u>miles/square mile</u>
Short-term deferral	4.35
On-base	4.00
Long-term deferral	2.17

Road Maintenance and Abandonment Planning (RMAPS)

- None of the alternatives change the road network management strategies
- Our compliance with the HCP and Forests and Fish (Forest Practices) rules remain the same regardless of strategy chosen

Roads – Good News

-Implementation of the Sustainable Forestry preferred alternative at the current assessment rate for the Access Road Revolving Fund, will provide adequate funding to complete required RMAP repairs

Chair Sutherland asked for clarification on the analysis on the roads system, and stated that it had already been done.

Mr. Hurst said yes, and they did a recheck on that.

Chair Sutherland asked how short the engineering program was fiscally.

Mr. Hurst responded that it was between 30-50 million over the 15-year period.

Mr. Cook asked if it was part of the 25% management fee.

Mr. Hurst responded that this fee is not part of the 25% management fee; it's a fee that is charged directly to the purchasers.

Ms. Bergeson asked where the extra money came from.

Mr. Hurst said because it's a flat fee based on volume it produces more dollars.

Ms. Nicholas talked about the 50\25 rule and cumulative effects slide

50/25 Rule

-At a landscape level, DNR will maintain at least 50 percent of its forested land that is 25-years old or older in those Watershed Administrative Units (WAU's) where DNR manages at least five percent of the total WAU.

74% of watersheds with DNR lands have less than 22%DNR ownership

Federal Endangered Species Act and HCP Protections

-148 out of 178 watersheds have more than 1/3 of State land in Uplands with Specific Management Strategies or Riparian areas

-These land classes implement specific management strategies to mitigate specified sources of potential cumulative effects.

-Most strategies are required by HCP for endangered species protection. Protection is also provided for rain-on-snow events, to protect watersheds from the impacts of catastrophic rain events

State Laws

-Potential cumulative impacts are addressed by a wide array of state laws in addition to the Federal Endangered Species Act. This is a partial list:

-RCW 76.09, Forest Practices Act;

-WAC 222, Forest Practices Rules;

-RCW 75.20.100, Hydraulics Act;

-RCW 78.44, Surface Mining Act;

-RCW 43.21C, State Environmental Policy Act

State Law and Cumulative effects

-The FPB, through its rulemaking processes, has ... addressed cumulative effects and pertinent elements of the environment protected by the Forest Practices Act.¹¹

...The forest practices rules that have been designed and repeatedly amended in accordance with adaptive management ...to adequately address the cumulative impacts of individual forest practices. ...¹²

[¹WFPA Report Regarding SEPA § 305 Petition, Washington Forest Protection Association, and [²WFPA Comments Regarding Ecology's Proposed Amendments To SEPA Rules (WAC Chapter 197-11)

Washington Forest Protection Association, 724 Columbia Street, N.W., Suite 250, Olympia, Washington 98501 March 5, 2003

SEPA Checklist and Cumulative effects

-SEPA - State Forest Land Environmental Checklist was developed to supplement the Department Ecology's standard environmental checklist.

-Watershed Administrative Unit (WAU) maps aid our understanding of and analyses of landscape level considerations.

-More than 100 additions to the Department of Ecology's generic Environmental Checklist.

Sepa Checklist and Cumulative effects

-These additions include but are not limited to the following:

-Discussion of any known future activities not associated with this proposal that may result in a cumulative change in the environment;– Evaluation of changes to stream channels in the WAU;

-Road density

Conclusion

-50/25 was put in place a time of transition and grappling with new issues

-It has unintended consequences that it limits us most in WAUS that we have a very small ownership

-Since then, we have improved the way we evaluate our harvest activities

-We will continue to improve

Next steps

-July –

-Technical committee report on model

-Review of full results of analysis at 636 for FEIS

-Review of implementation analysis at 590

-Review of policy and procedure changes

-July 26 – FEIS released

-August Board – Board action on preferred alternative

Ms. Bergeson asked for clarification on slide 47 (handout 8).

Ms. Nicholas said the latest implementation scenario would have DNR harvesting 5.9 billion for the decade, although it is not being analyzed in the FEIS.

Ms. Bergeson asked if implementation analysis implies the ability to achieve those numbers.

Ms. Nicholas responded yes.

She concluded by discussing the next steps slide 47 (Handout 8)

Ms. Bergeson asked about the analysis of 590 and explained that she needs a clearer picture of the financial implications regarding the preferred alternative.

Chair Sutherland responded that in 1999-2000 the Department started looking at these cost factors at that time there was a proposal sent to the legislature suggesting that the retainage fee should be 35%. Chair Sutherland stated that at that time he asked that the 35% management fee not be considered by the legislature until DNR had the opportunity to review data and other approaches. Because the Board has asked how the Department could accelerate to the level of 636, Bruce Mackey will be doing a financial analysis to figure out how the Department could reach the 636 mbf. Chair Sutherland talked about a strategic plan in repositioning of assets and how that impacts the funding accounts. He mentioned contract harvesting as an example of how different approaches can provide additional revenue. He stated his concern about the change in functions of DNR and talked about having a independent group look at DNR from an outside perspective. Bruce Mackey will review the data at July's meeting. Chair Sutherland said he has asked how much time and money it would take for an independent group to look over DNR's shoulder to ask the questions the Department should be asking themselves and to review the data. He hopes this information will help the Board members in their upcoming decision on the preferred alternative.

Mr. Bare asked what the Board is being asked to vote on regarding the preferred alternative.

Chair Sutherland responded that it could be the concurrence with the FEIS and the implementation, depending on how the Board would like to proceed.

Board Retreat Update - Charlie Cortelyou - Olympic Region Manager (Handout 9)

Charlie Cortelyou began by giving a brief summary of the upcoming August BNR retreat. The dates are August 17, 18, & 19, with the first day focusing on the Westside of the peninsula looking at the OESF, the second day will be half a day uplands focus and the latter part will be aquatics. The third day will be the public meeting portion to be held at the Red Lion in Port Angeles.

Chair Sutherland asked if there was anyone else present wishing to make comment before the Board? Seeing none, hearing none.

Meeting adjourned at 12:10 p.m.

Approved this ____ day of _____, 2004

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Gary Locke

Bruce Bare, Dean, University of Washington

R. James Cook, Dean, Washington State University (Interim)

Terry Bergeson, Superintendent of Public Instruction

Glen Huntingford, Commissioner, Jefferson County

Attest:

Sasha Lange, Board Coordinator